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ROUTING AND RECORD SHEET

SUBJECT: Financial Guidance for FY 1989

FROM: C/P&RS  
6E60  
OHB

Extension

NO: DS&T-1064-88

DATE: 18 November 88

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\* Date \*

TO: (Officer designation) rec'd fwd'd init Comments:

1. *AD/FBIS*  
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DS&T-1064-88  
18 November 1988

MEMORANDUM FOR: Director of Development and Engineering  
Director of Technical Service  
Director of SIGINT Operations  
Director of Research and Development  
Director of Special Projects  
Director, National Photographic Interpretation Center  
Director, Foreign Broadcast Information Service  
Chief, Mobile Missile Assessment Center

FROM:

  
Chief, Planning & Resources Staff, ODS&T

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SUBJECT:

Financial Guidance for FY 1989

REFERENCE:

COMPT 88-1741 dated 10 Nov 1988

1. Attached is a copy of your FY 1989 allotment and the Financial Guidance for the execution of the FY 1989 Program. A copy of Reference memo from the Executive Director on this subject is also attached.

2. Please note that P&RS has revised the DS&T position ceiling chart to indicate the reallocation of FY 1989 positions. The FTE controls are the Comptroller's budget ceilings - not the projected FTE requirements from each office. We will continue to monitor your FTE against your projections rather than these Comptroller ceilings.

3. Please let me know if you have any questions.

  
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Attachments:  
As stated

  
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## Financial Guidelines for Executing the 1989 Program

### Allotments

Allotments will be issued by DS&T/PRS and will subdivide resources into (a) personal services, (b) nonpersonal services, and (c) property requisitioning authority. In certain cases, such as Reserve Releases, restricted allotments will be issued covering special projects. Total obligations, encumbrances, and commitments must not exceed your total allotment.

### Operating Programs

Records and controls over resources will be maintained by component, project number (FAN) and subobject class (SOC). Obligations, encumbrances and commitments within a FAN account must not exceed the operating amount. Similarly, obligations, encumbrances, and commitments within an office for a given subobject class must not exceed the operating amount for that SOC. Adjustments to the operating amount, including any necessary reprogramming approvals, must be made prior to such actions.

### Acceptance of Funds from Other Government Agencies

Acceptance of funds from other agencies (other than National Programs or special written delegations from the DDS&T) for joint development efforts or in amounts of \$100,000 or more requires the prior written approval of the Deputy Director of Science and Technology. The acceptance of funds in smaller amounts which are of a "housekeeping" nature (i.e., travel and training reimbursements) does not require prior approval.

### Reprogramming

#### A. Nonpersonal Services

1. The base from which reprogramming will be judged is the resource data reflected in the Financial Resource System (FRS) at the end of November. This data will become the operating budget (operating amount column) in FRS and should be reflected in the November Trend Reports.

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2. The following reprogramming actions and funding changes must be submitted to the Comptroller through the DDS&T and DS&T/PRS for approval:

- a. Proposals to shift nonpersonal services funds in amounts of \$500,000 or more between major object classes of FANs, and within major object classes (particularly MOC 2500) where the purpose of the planned obligation is different from that initially budgeted. Comptroller approval is not required for adjustments between object classes for supplies and equipment (26 and 31) of a purely technical nature where funds are expanded for essentially the same purpose as they were budgeted. Analysis of past reprogramming suggests an assumption that approval is required only for single transactions totaling \$500,000 or more. The intent of these guidelines is to require Comptroller approval for funds totaling \$500,000 or more for a single purpose, whether this involves a single or multiple transaction.
- b. Proposals to alter or modify any previously completed transactions or contract to change financing arrangements (such as converting a direct purchase contract to a multi-year alternate payment plan). Any such proposal should be approved by the Agency Contract Review Board prior to submission to the Comptroller.
- c. Proposals to reprogram any funds budgeted for reimbursement to the Department of State (i.e., SOC 1215, 2133, 2356, 2542, 2545). NOTE: SOC 2357 and 2546 are not fenced and may be reprogrammed to any NPS SOC.
- d. Proposals requiring congressional action or notification. These proposals will be forwarded by the Comptroller to the DCI, who must approve all actions requiring congressional notification or approval. Congressional notification and/or approval is required when reprogramming involves:
  - Any activity which is politically sensitive or which could be potentially embarrassing to the US.
  - Any item designated by Congress as being of special congressional interest (i.e., all reprogramming into or out of NSPG covert action programs, regardless of the amount, requires congressional approval).
  - Any activity that has been specifically limited or denied by congressional action.
  - Any proposed significant activity not specifically authorized by Congress.

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- Any increase of \$10 million or more in procurement or \$5 million in operations and maintenance costs (including personal services), or \$4 million or more R&D programs.
- Any below-threshold action involving a new program that will result in significant follow-on costs.
- 3. The following reprogramming actions must be submitted to the DDS&T through Chief, P&RS for approval:
  - a. All of the actions cited in para 3 above
  - b. Any new effort, regardless of size.
- 4. Requests for reprogramming actions and funding changes for amounts between \$301,000 and \$499,000 must be submitted to the DS&T through Chief, PRS, for approval.
- 5. Reprogramming actions of less than \$301,000 which do not fall within the guidelines of paragraphs cited above may be approved by the office director.
- 6. Proposed reprogramming requiring DDS&T and Comptroller approval should identify:
  - a. The FAN accounts and SOC's affected;
  - b. A description of the requirement for which funding is being requested;
  - c. The impact on the program or activity from which funds are being reprogrammed; and
  - d. The effect, if any, on subsequent year budgets.

**B. Personal Services Funds**

- 1. Offices may reprogram funds within personal services to meet projected personal services needs with the exception of SOC's 1169, 1213, and 1215. The total funding for these SOC's cannot be modified without P&RS concurrence. Operating budgets must be adjusted continuously throughout the year to accurately reflect projected personal services requirements and to facilitate monitoring.
- 2. Personal services funds may not be converted to nonpersonal services object classes without prior approval of the Comptroller.

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**Property Requisitioning Authority**

- A. All requests for conversion of funds to PRA or vice versa must be submitted to DS&T/PRS stating the dollar amount and reason for the conversion.
- B. After 31 July 1989, conversion will be allowed only in exceptional circumstances and must be requested by the Deputy Director . There will be no conversions after 1 September except to cover price increases on requisitions processed prior to that time or to cover yearend reprogramming approved by the Comptroller.

**Comptrollers Meetings**

To assist DS&T/PRS in preparing for Comptroller meetings, offices will provide an operating budget status report by the tenth day of each month. The report shall contain:

- A. Estimated personal services and non-personal service requirements for both funds  
(by subobject class) and FTE (showing both FTP and T/PT personnel) projected to year-end.
- B. Status of obligations and commitments on all special activities  
(Reserve Releases, )
- C. Unfunded requirements in excess of \$500,000. The requirements should be described and listed in rank order (highest priority first). Descriptions should be sufficient to permit a determination of the relative merits of the requirement and its importance in the overall Agency mission. Note those which clearly are considered non-discretionary (i.e., which must be funded) and the date by which funds must be made available.
- D. Explanation of non-personal services sub-object class obligation rates which are considerably under or above straight-line percentages.

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**Prior Year Funds Request**

Memorandum for prior year funds request must be submitted to the Comptroller for approval when contract overruns for \$25K or more pertain to FY 1985 and prior years or when contract overruns for \$50K or more pertain to FY 1986 or FY 1987. Requests for less than these threshold amounts must have written approval from DDS&T/PRS. Prior year obligations must be monitored closely and attempts should be made to offset any increases or new obligations established.

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